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May 7, 1999

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FEDERAL COMMUNICATIONS COMMISSION  
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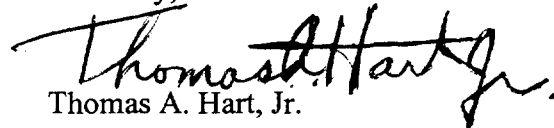
Ms. Magalie Salas  
Secretary  
Federal Communications Commission  
The Portals  
445 12th Street, SW  
Washington, DC 20554

**Re: Ex Parte Filing  
CC Docket 98-141  
SBC/Ameritech License Transfer**

Ms. Salas:

Pursuant to 47 C.F.R. § 1.1206(b)(1), please accept for filing the attached statement of Mr. Chester C. Davenport, Chairman of Georgetown Partners, LLC. I ask that Mr. Davenport's statement be included in the record of the Open Meeting, held on Thursday, May 6, 1999, in the above-referenced proceeding. If you have any questions, please contact the undersigned.

Sincerely,



Thomas A. Hart, Jr.  
James E. Morgan  
Counsel to Georgetown Partners

Attachments

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**Statement by Mr. Chester C. Davenport  
Chairman, Georgetown Partners, LLP  
Before the  
Federal Communications Commission's Public Meeting  
On the Proposed Merger Between SBC and Ameritech  
May 7, 1999**

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**FEDERAL COMMUNICATIONS COMMISSION  
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My name is Chester C. Davenport, and I am here today as Chairman of Georgetown Partners, LLC, a financial investment company. I want to thank the Commission for the opportunity to offer my testimony today in support of the proposed merger between SBC and Ameritech. I ask that this written testimony be entered into the public record of this meeting, and reserve the right to file additional statements during the comment and reply comment periods in this proceeding.

I am here today because, pursuant to a condition imposed by the Department of Justice, and in order to comply with the Commission's spectrum aggregation limit (47 C.F.R. § 20.6) and one-to-a-market ownership restrictions (47 C.F.R. § 22.942), Ameritech must divest its cellular properties in the cellular geographic service areas (CGSAs) for Chicago, St. Louis, and certain surrounding areas in Illinois and Missouri.

As such, on April 5, 1999, Ameritech signed an agreement to sell the aforementioned properties to a new joint venture between my company, Georgetown Partners, and GTE. Georgetown Partners will hold a 7% equity interest in the venture, and I will serve as chairman of the new entity. The transaction is, of course, contingent on FCC approval of the proposed merger.

From the beginning, the nation's communications infrastructure has been owned by members of a single demographic group. The licenses to operate this infrastructure were allocated by the government many years ago. Today, there is nothing left for individuals who were not fortunate enough to be included in that initial allocation. As such, a large segment of our

increasingly diverse nation has the desire and skills to assume ownership of the instrumentalities of communications in this country, but they are excluded from doing so because history was against them. This merger has the potential to change that.

It is my understanding that, under sections 214(a) and 310(d) of the Communications Act of 1934, as amended, the Commission will approve this merger if it finds that the merger would promote the public interest. It is also my understanding that the Department of Justice has already determined that this merger will have no anti-competitive effect. *See* Proposed Consent Decree filed by the U.S. Dept. of Justice with the D.C. Federal District Court on March 23, 1999. As I will explain, the proposed merger, and the associated transaction with my company, have the potential to create a new level of competition in the Chicago and St. Louis cellular markets that will fundamentally and substantially enhance the public interest.

The Commission has expressed its concern that the merger could diminish in-region competition in the market for wireless and wireline services in the affected areas. The Commission's fears are misplaced, however, because Ameritech will divest its cellular properties to a wholly unaffiliated third party. The merger thus will not increase the concentration of ownership for cellular services in the aforementioned territories

Indeed, I expect a fundamentally different result. The Georgetown Partners-GTE Joint Venture intends to become a fierce competitor in the markets for cellular services in these areas. We plan to challenge not only SBC/Ameritech, but all wireless providers, including AT&T, Sprint and Nextel. By combining vigorous price competition, new product choices, and new marketing strategies, we expect to compete for every single one of the millions of cellular customers

in these areas. It also expects to find -- and win -- customers who have been ignored by the present wireless communications companies.

To achieve these ends, the Georgetown Partners-GTE Joint Venture is exploring marketing initiatives that will target presently under-served minority communities. The campaign's ultimate goal will be to build a minority brand affinity for wireless products with African-Americans nationwide.

Georgetown Partners further hopes that this transaction will be the first, but not the last of its kind. If successful, the Georgetown Partners-GTE Joint Venture model could serve as a blueprint for vastly expanding minority participation in all facets of the telecommunications industry. Moreover, the success of this transaction could pave the way for greater minority access to capital, through funding vehicles like investment pools, SBICs, and public or private offerings, for similar future transactions.

In short, Georgetown Partners believes that the SBC/Ameritech merger has the potential to enhance the level and nature of the competition presently enjoyed in the Chicago and St. Louis cellular phone markets, while simultaneously fostering substantial public interest benefits. We therefore urge the Commission to promptly approve the merger.

If you have any questions or require any additional information, please contact Georgetown Partners, LLC at 6903 Rockledge Drive, #214, Bethesda, Maryland 20817, (301) 530-8110, or our counsel, Thomas A. Hart, Jr., at Shook, Hardy & Bacon, LLP, 600 14th Street, NW, 8th Floor, Washington, DC 20005, (202) 783-8400.